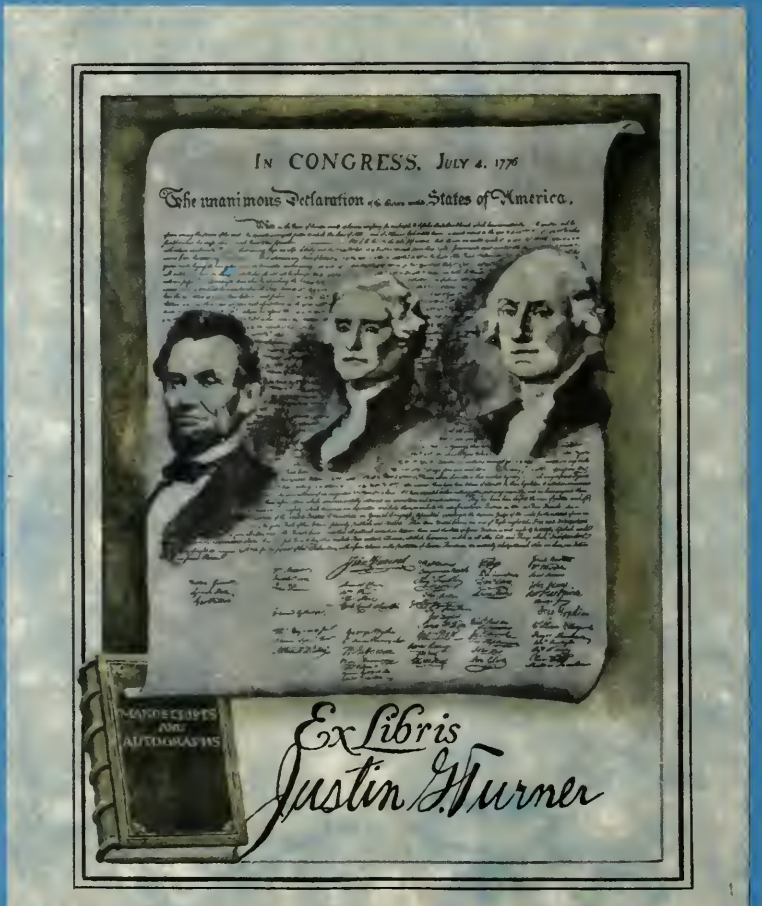
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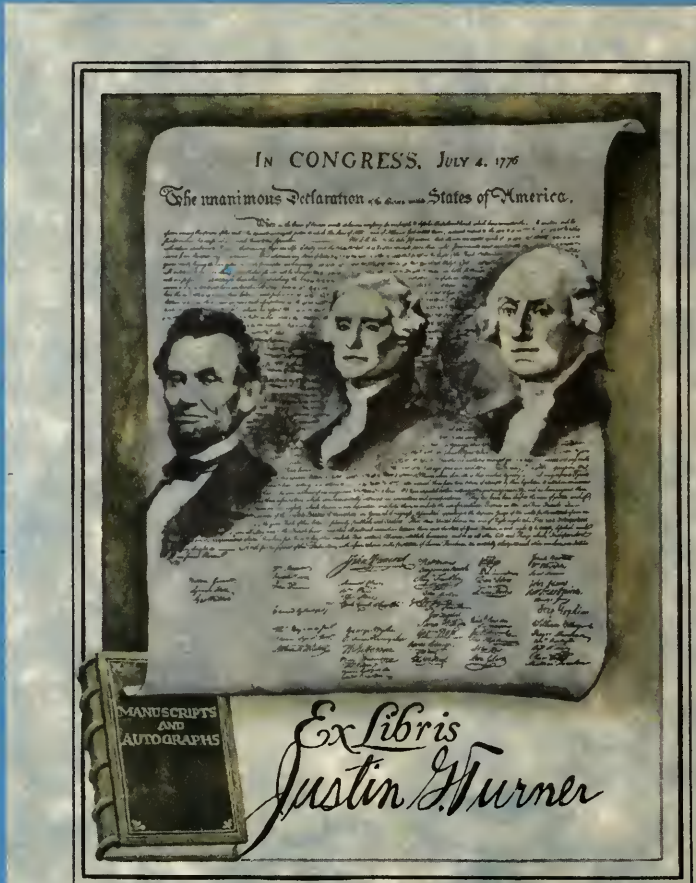
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MR. TODD'S REPLY

TO

MR. WICKLIFFE.

LEXINGTON, KY.

OBSERVER AND REPORTER PRINT.

1845.

those I then represented. The latter mode was the only one left me, and I determined to adopt it without hesitation; the plan was adopted, and to it I gave my assent; and this stroke of wise policy saved us from another relief system and from anarchy, and restored at once peace and confidence.

I wish, also, fellow citizens, to remind you of some facts connected with the two Banks.

The Bank of Kentucky was chartered with a nominal capital of $5,000,000. Three millions were reserved for private stockholders and $2,000,000 for the State. The part reserved for individuals was to be paid in gold and silver, or its equivalent. The subscription for the 4th million was made by the State on the credit of the State Bonds for $1,000,000, bearing 5 per cent. interest, payable by the State to the Bank semi-annually, and which bonds were paid for by the Bank by issuing to the State certicates of Bank stock for the same amount, viz: $1,000,000.

The 5th million was to have been made up to the State from the excess of dividends which might be received during the existence of the Bank and by its operations, over and above the 5 per cent. which the State was bound to pay to the Banks, and which excess it was reasonably presumed would amount to two per centum per annum. The Northern Bank of Kentucky was chartered on nearly the same plan, with a capital of $3,000,000, two millions being reserved for the subscriptions of individuals, and $1,000,000 to the State, to be paid for in bonds of the State of a similar character and import with those of the Bank of Kentucky; thus giving to the State a capital stock of $1,000,000 in each Bank, (and not as Mr. W. says, near two millions,) in return for the State bonds bearing 5 per cent. interest.

For some two or three years the State realised fully from both Banks its expectation of 2 per cent. per annum clear, being the excess of the 5 per cent. interest it was bound to pay to the Bank, until the occurrence of what is called the Levis fraud, committed on the Bank of Kentucky to the amount of about $1,300,000 by an over issue or forgery of stock, which stock the Bank has been compelled to recognize as genuine, and to make good before it could declare any dividends of consequence, it being compelled to withhold both from the State and stockholders the profits of its business. until the loss of the stock should be reimbursed.

This State of things had continued from the time of the developement or discovery of the fraud in 1838 to the session of 1842-3, and still continues, and must yet continue a number of years, as there still remains to be made up about $500,000 to make the stock good. In the mean while the Bank of Kentucky, whilst withholding from the State any dividends, as it had a right to do, was receiving or was entitled to demand from the Treasury of the State $50,000 for the annual interest on the bonds of the State held by the Bank, and did so receive that sum annually from 1st July 1839, to the session of 1842-3—and would in all probability have done so for years thereafter but for the *unholy* arrangement, by which the State was relieved from this incubus on the treasury; and although the Northern Bank had met with no such disaster, and still continued to pay the usual dividends, yet the sum so received

from that Bank was insufficient to meet the deficiency sustained in consequence of the fraud on the Bank of Kentucky. And on the whole the State had sustained great loss by its connexions as a stockholder with the Banks, and was not likely during the continuance of their charters to reap any further advantages to compensate for the loss it had sustained, and would certainly sustain from a further continuance of the connexion; and in connexion with this opinion I state the fact, that the Bank of Kentucky has since the 1st July 1839, divided but 13 per cent among the stockholders, the State being one, whereas in the same time if this arrangement had not been effected the State would have had to pay the Bank 30 per cent., being a clear loss in the way of interest of $170,000 up to this time.

It is also known that the bonds of the State held by the Banks were payable to bearer, and passed from hand to hand by delivery only, that the Banks had a perfect right to sell the bonds in any market where they would command par, and were likely to do so. The idea occurred that those bonds could be stolen or surreptitiously used, and that in view of all the matters connected with the Banks, it was safer and better, and would conduce to the pecuniary interest of the State under the circumstances then existing to dissolve the connexion, and as a further reason it was known that banking institutions in various States of the Union were failing, and that our own were not exempt at some day from such a misfortune, and great apprehensions were then entertained that ours might soon be subjected to the same doom; in which event, the State would have suffered heavy and irreparable loss, and would have been compelled to pay the whole amount of its bonds to the creditors of the Banks. It was under those views of interest and safety to the Commonwealth, and not with any view to the interest of the Bank of Kentucky with which I was associated, that I gave the vote to dissolve the connexion. The interest of that Bank being, as I conceived and now believe, opposed to my vote on that occasion, but the interest of the Commonwealth obviously and imperiously demanded it.

Mr. Wickliffe, on the 15th page of his pamphlet, states that "when this President of a Bank entered the Legislature, the State owned one million of capital stock of the Northern Bank of Kentucky, and nearly two millions of the capital stock of the Bank of Kentucky, on bonds bearing five per cent, which stock yielded her at the rate of two per cent after paying the five per cent, the banks yielding a dividend of seven per cent, leaving to the State two per cent," &c.

I have before given the facts, and Mr. Wickliffe never being willing to tell more than half the truth, even when the whole is fairly presented, has in the present instance only presented the mangled half. When I entered the Legislature the Northern Bank was, as he states, paying into the treasury the 2 per cent excess over and above 5 per cent, but at that period, and from 1839 to 1842, the Bank of Kentucky so far from paying *one cent*, was actually claiming, as it had an undoubted right to do, and I presume did receive, from the Treasury of the State at the rate of $50,000 a year as interest on the bonds of the State of Kentucky held by that institution. This fact *must* have been known to him when he penned the above extract--and he has therefore stated what he knew to be untrue.

On the same page of Mr Wickliffe's pamphlet, he asserts that "*twice or thrice has this Abolition Club,* (meaning the Clay Club of Lexington,) *ordered the election of the salaried President of the Bank of Kentucky, and a majority has obeyed.*"

This assertion is of a piece with the last, except that there is not one particle of truth in it. I never was nominated by any club. The two first years when I was elected to the Legislature, my announcement was made in the newspapers by friends—the last year, it was done, as I understood, (being then in New Orleans,) by a Convention which met in the city of Lexington.

Mr Wickliffe asks you—

"*Do you think that the Abolition Club under the name of the Clay Club, deals fairly with you, in demanding of you, that you shall make a President of one of your State Banks, Senator—to make bargains with the Banks for the State, for the next four years? Recollect that Mr Todd had two principals to act for, and will still have two: the bargains were, I presume, in part, made between Robert Todd, agent and attorney, in fact, for the Bank of Kentucky, and Robert Todd, agent or attorney in fact, for the Commonwealth. The State paid their arbitrator or agent say one hundred dollars, per annum, and the Bank paid the same individual, say five or seven hundred dollars, per annum, &c.*"

Mr Wickliffe in his fits of malice and desperation, seems to imagine every man except himself, an Abolitionist, and he has, as I have heard, indulged the belief that Queen Victoria and her Ministers, at their leisure moments, are plotting to steal away his 300 slaves!! It is, therefore, not to be wondered at, that he should imagine, or rather affect to imagine, that Clay Clubs, or any other Clubs, composed in a great degree of *slave owners*, should be abolitionists or emancipators; but the idea is too ridiculous, and, even insane, for any intelligent community to give it a moment's countenance. I have heretofore given my views on that subject to the public, and shall not now repeat them.

With regard to my having had two principals, for whom I was acting as agent at one and the same time, and liable to be acted on in favor of the one that paid the best price, I was not at all surprised that such an idea should occur to him; but I will advise Mr Wickliffe not to be too precipitate in judging others too much by his own standard, for if reports be true, he may himself have been guilty of taking fees on both sides of a question, and then running off with the subject matter in contest—but I, *knowing him so well*, would suppose him *too pure and immaculate* for that.

I think I have shown, that if my position had been as charged, (which I do not admit,) I decided in favor of my constituents, who had a right to expect me to do so; but no such confliction of interests having occurred, as far as I was capable of judging. I have to acknowledge but one agency, and having in that capacity, done justice to the Commonwealth, and to the Banks, will remain satisfied, for I am confident, that I never gave, nor will ever be able to give, a better vote for my constituents.

Much has been said in regard to my position, as President of the Branch Bank, and the enormous salary of *four hundred dollars* which I receive—Mr Wickliffe says $500 or $700, which is certainly as near the truth as could be reasonably expected from *him*. I do not recognize

it as an office properly so called, not receiving my appointment from the Government, or receiving my salary from the Treasury, nor is there any law of this Commonwealth, which declares it incompatible with the one for which I offer. In the discharge of that trust, I have not knowingly or intentionally oppressed or injured any one, nor have I, as insinuated by Mr Wickliffe, used it for party or political purposes, or to subserve any improper or illegitimate object. On the contrary, its funds have been invariably and constantly employed in promoting the agricultural, mechanical and manufacturing industry of the country, without regard to party, or the political complexion of applicants, and for the truth of these assertions, I can confidently appeal to all classes of this community, as well of one political party as the other, and would even make the appeal to Mr Wickliffe himself, if I believed him for one moment capable of listening to an appeal to *truth*.

But, Fellow-Citizens, with all the loathing, which an upright man can feel towards an habitual and notorious falsifier; an unscrupulous and indiscriminate calumniator, reckless alike of fame, of honor, and of truth, I must now take my present leave of this miserable old man, and express to you my regret, that to justify myself, against his unprovoked assaults, unfounded charges, and illiberal insinuations, I have been reluctantly compelled, in this manner, and at this time, to trespass on your patience. He has presumed to tell you, in a printed proclamation, for whom, and against whom you must vote—if he had as many white slaves as he owns black ones, he might effect something *worth to him*, perhaps, the expense of his book, by this untimely and indelicate interference in the election. But "Othello's occupation's gone!" Robert Wickliffe may continue to foam and rave, and fulminate *his orders*, but his *old* acquaintances, the Freemen of Fayette, neither deceived nor awed longer by *him*, *will do just as they please*, and thus acting freely and uprightly, they will, I doubt not, do what is right and best for their country and themselves.

Standing before you a candidate for the Senate, selected by a large Convention, without any solicitation or desire on my part, I will cheerfully abide your own free and uncontrolled decision at the polls; and if, as I have some reason to hope, it should be in my favor, I will endeavor to evince my gratitude, by faithfully and industriously serving you as I have always honestly endeavored to do, whenever I have been hitherto honored with your confidence.

R. S. TODD.

Fellow Citizens of the County of Fayette:

A pamphlet purporting to emanate from the pen of Mr. Robert Wickliffe, has recently made its appearance, for the benevolent and modest purpose of instructing you how to vote at the approaching Election. With his accustomed dignity and regard for decorum and truth, he has seen fit to strike a *blind* blow at me. Among other ridiculous things not worthy of notice, he ventured to charge me with violating my duty, as a member of the Legislature from this county, in regard to the arrangements made by the State with the Northern Bank and the Bank of Kentucky, by which the State Stock in those institutions, and the State Bonds held by them, were cancelled, and the partnership dissolved; and he shamelessly endeavors to make the impression that my course, on that occasion, was dictated by an undue regard for the interests of those Banks, to the injury of the revenues of the State; and manifested a wanton dereliction of my duty as a Representative. Without noticing the fiend-like malignity which his Pamphlet exhibits throughout, I will leave him to indulge, to the full extent, those feelings so *grateful* to his heart, and throw myself on the good sense and sound judgment of my countrymen, and will only invoke that "charity which seeketh no wrong," for the justification of a course which I then thought right, which subsequent reflection has satisfied me was so, and which has in no way operated to the injury of the revenue of the State, or against the interests of my late constituents, but in every respect, as Robert Wickliffe well knows, greatly to the advantage of both and of all.

Before touching on matters directly connected with the charge made or insinuated, I beg leave to remark, that, it must be well remembered by all, that previous to and at the session of 1842--43, the time at which this *unholy* deed was consummated, great pecuniary distress and embarrassment prevailed; and that the State was convulsed from one end to the other, as to the mode of relieving the distress of the community. Great sacrifices of property, under execution, were complained of; in very many instances the laws of the country were openly set at defiance; and riot, disorder and ruin seemed to stare us in the face. The Legislature was urged to interpose between debtor and creditor; the aid of a paper currency, without any intrinsic value, through the agency of a Commonwealth's Bank, was invoked, as a means of extinguishing existing debts; and the assistance of the existing Banks was demanded, to avert the scourge impending over the country.

For the two first plans, (in opposition to which Mr. Wickliffe had, 20 years before, when your representative, signalized himself, and in which he had been signally sustained,) I could not vote consistently with my own expressed opinions, or the opinions and instructions of

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